

# SR 520 Toll Rate Setting Update

**Paula J. Hammond, P.E.**  
Secretary

**Steve Reinmuth**  
Chief of Staff

**Craig J. Stone, P.E.**  
Assistant Secretary, Toll Division

**Helena Kennedy Smith**  
Director of Toll Financing

**Washington State Transportation Commission**  
**December 11, 2012**

# SR 520 Rate Setting



# SR 520 is Unique

**On September 29, 2011, the State Finance Committee adopted Resolution No. 1117:**

A RESOLUTION OF THE STATE FINANCE COMMITTEE OF THE STATE OF WASHINGTON PROVIDING FOR THE ISSUANCE OF BONDS OF THE STATE FOR THE PURPOSE OF PROVIDING FUNDS TO PAY AND REIMBURSE STATE EXPENDITURES FOR ELIGIBLE TOLL FACILITIES IDENTIFIED IN THE BOND ACT; PROVIDING FOR CERTAIN TERMS AND COVENANTS OF THE BONDS; PROVIDING FOR CERTAIN OTHER PROVISIONS SAFEGUARDING THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE BONDS; AND AUTHORIZING AND DIRECTING THE SALE OF THE BONDS IN ONE OR MORE SALES.

**Information that follows comes from this “Master Bond Resolution.”**

# The Financial Charge for Rate-Setting

## Section 7.01 Master Bond Resolution.

“The State, acting by and through the Tolling Authority, covenants to set and adjust the Toll Rate Schedule and maintain Tolls on the SR 520 Corridor and on any Additional Eligible Toll Facilities at rates that will generate Toll Revenue sufficient to pay Operating and Maintenance Expenses; to pay, when due, the principal of and interest on all Outstanding Bonds; and to meet the State’s financial and other covenants under this Master Resolution and applicable law. “

# Financially, What Must Be Covered

- Operations & Maintenance (O&M)
- Timely deposit of required amounts into the reserves, including but not limited to debt service, O&M, and R&R reserves
- Minimum debt coverage covenants\*
- “Other payments to comply with all financial and other covenants made by the State in this Master Resolution, in any Bond Sale Resolution and in other proceedings related to the issuance of Bonds.”
- Other anticipated funding obligations of the System, giving due regard to the Projected Toll Rate Schedule provided to the Tolling Authority by WSDOT and the State Treasurer pursuant to Section 7.03(b) of this Master Resolution.

\* *Meet “Additional Bonds Test” requirements in order for scheduled bond sales to occur*

# Other Charges

## **Section 7.02 Master Bond Resolution.**

- The Tolling Authority shall include variable pricing in adopting Toll Rate Schedules.
- Tolls shall be set to maintain travel time, speed, and reliability and to generate sufficient Toll Revenue to meet all requirements previously outlines.
- Tolls may vary for type of vehicle, time of day, traffic conditions, or other factors designed to improve performance of the System.

# **SR 520 Rate Setting Financial Commitments**

# Work to Date to Support the Bond Resolution

- WSDOT and the State Treasurer have completed a finance plan to present to the Transportation Commission that is built on the same financing assumptions as included in the 2011 Investment Grade Finance Plan. This plan was used for TIFIA financing in October 2012.

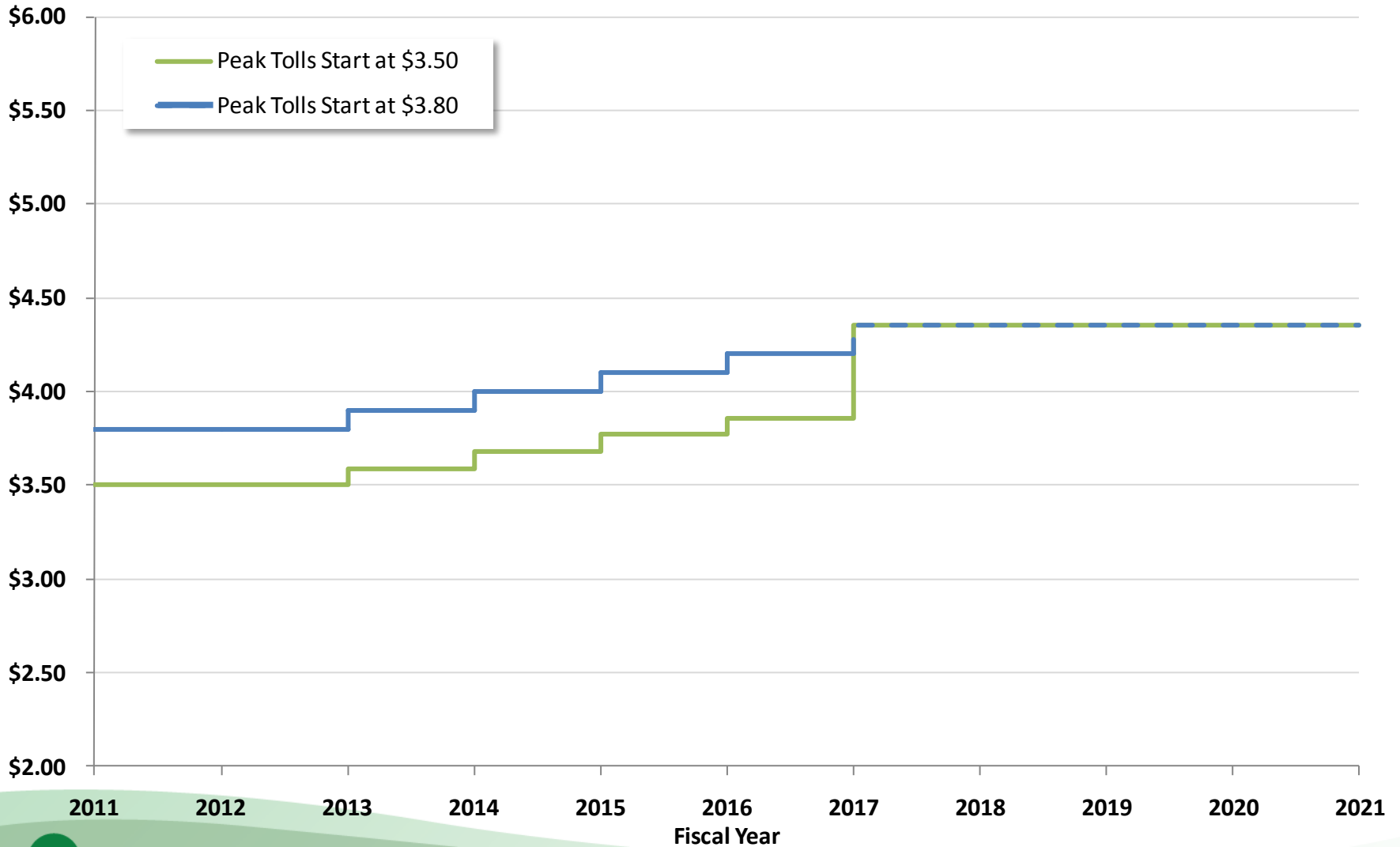


# Work to Date: Traffic & Revenue Modeling

- **In September 2012, CDM Smith prepared updated Gross Revenue forecasts through 2056**
- **Assumptions regarding the amount and timing of toll rate schedule adjustments did not change from work done for the Commission in preparation for January 2011 rate-setting.**
  - CDM Smith incorporated the rate increase that occurred July 2012.
  - Tolls increase 2.5% on July 1st of 2013, 2014 and 2015.
  - Weekday tolls increase 15% on July 1st of 2016; weekend rates increase 2.5%.
  - Tolls remain constant after the 2016 increase for purposes of financing.

# WSTC Discussion of Toll Rate Increases, 11/8/2010

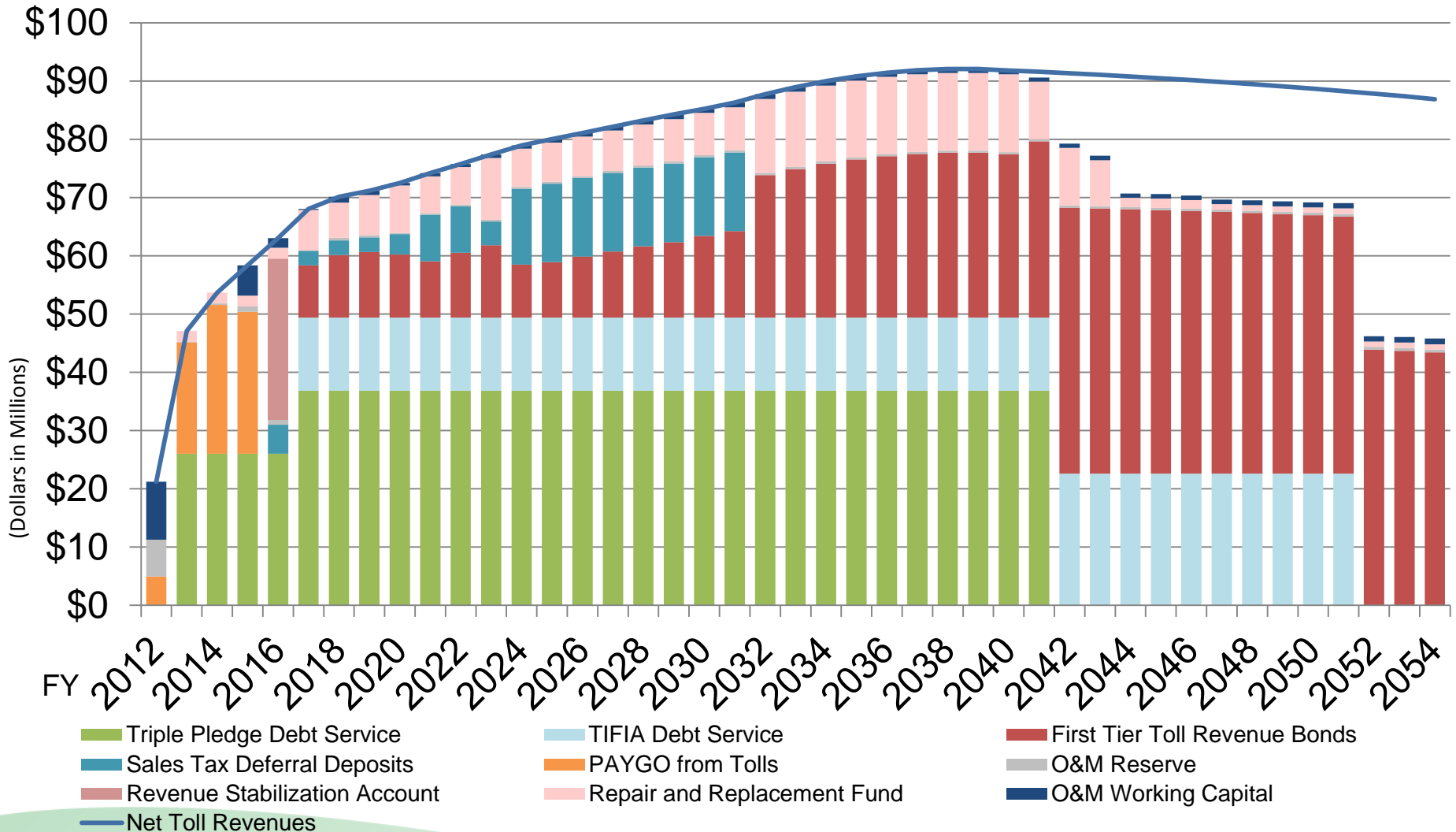
## Toll Rate Profile for Scenarios E.2 and H.2



# Work to Date: Net Revenue

- **In September 2012, Parsons Brinckerhoff (PB) prepared updated Net Revenue forecasts through 2056**
- **As part of this update, PB included actual FY 2012 expenditures**
  - Insurance was higher than expected
  - Postage was lower than expected
  - UPA was able to cover some operating expenditures
- **They also updated:**
  - actual operating experience to better estimate pay by plate and short-term account data, and to adjust assumptions for uncollectible accounts.
  - O&M cost estimates as certified by Scott Bacsikin, PE, Consulting Engineer and as described in WSDOT's 13-15 budget submittal to the Governor.

# Projected Net Toll Revenues Cover All Required Expenditures in Every Year Bonds are Outstanding



# Work to date: SR 520 Financial Plan

- Plan shows how the state plans to finance the \$2.7B SR520 Floating Bridge & Eastside + West Approach Bridge, as reported to TIFIA on October 25, 2012.
- The state plans to sell 1<sup>st</sup> tier debt in FY 2014.
- The plan includes 3-months of working capital in 2013. This amount is projected to grow after reserves have been fully funded.

# Work to Date: Initial Certifications

- Certifications for 2.5% increase in accordance with WAC 468.270.040, “(b) Starting July 1, 2012, the toll rates will increase two and one-half percent annually, subject to review and potential adjustment by the commission, in order to generate toll revenue sufficient to meet the costs and obligations listed in RCW 47.56.830 through 47.56.850.”
  - Operations and Maintenance Cost Certification, October 8, 2012
  - Traffic and Revenue Certification, October 10, 2012
  - Net Revenue Certification, October 10, 2012

# Financial Tests

## Requirements:

- Projected revenues for the then-current Fiscal Year and each subsequent fiscal year through the last scheduled maturity of all bonds must be at least equal to 100% of the aggregate amount of the required payments.
- Coverage ratios when bonds will be issued:
  - 1.10x of the Annual Debt Service with respect to all outstanding bonds in each fiscal year (1<sup>st</sup> – 4<sup>th</sup> tiers) *MBR 2.9*

## Results:

- Ending Unrestricted fund balance:
  - June 30, 2013: \$244,000
  - June 30, 2014: \$354,000
  - June 30, 2015: \$475,000
- The proposed plan provides aggregate coverage of 1.11x or above every year of the plan.

# Financial Plan

## SR 520 Corridor Account (#16J) — FINANCIAL PLAN

**\$2.72 B SR 520 Floating Bridge and the Eastside Plus West Approach Bridge Project using the September 2012 Traffic and Revenue Study Aligns with **October 25, 2012** Base Case Financial Model that includes \$300 million for TIFIA**

Amounts in thousands of dollars

Fiscal Year	Subtotal thru 2019	Subtotal thru 2056	Prior	2012	2013	2014	2015	2016	2017	2018	2019	Total Thru 2056
<b>Account 16J Beginning Fund Balance</b>				(174,470)	556,661	354,417	384,761	235,898	38,516	7,768	7,914	
<b>16J TOLL REVENUE CASH FLOW EXCLUDING BOND PROCEEDS</b>												
<b>Beginning Unrestricted Fund Balance</b>				203	3,948	244	354	475	604	746	892	
<b>Sources of Toll Revenue Funds</b>												
Gross Toll Revenue Potential <sup>1</sup>	591,823	5,111,823	-	28,823	62,580	69,740	75,180	81,980	85,160	91,220	93,120	5,111,823
Deduction for Free Trip Incentives <sup>2</sup>	(447)	(447)	-	(447)	-	-	-	-	-	-	-	(447)
Customer-Initiated Payment Discount <sup>3</sup>	(881)	(8,288)	-	(2)	(116)	(122)	(126)	(130)	(138)	(128)	(127)	(8,288)
Good To Go License Plate Payment Fees <sup>4</sup>	6,245	37,812	-	237	845	867	861	839	843	891	891	37,812
Pay by Mail Late Payment Fees <sup>5</sup>	12,941	87,790	-	776	1,607	1,694	1,732	1,803	1,796	1,778	1,755	87,790
Uncollectible Toll Revenue <sup>6</sup>	(47,085)	(340,224)	-	(654)	(5,674)	(6,125)	(6,413)	(6,810)	(7,361)	(7,205)	(7,044)	(340,224)
Recovered Toll Revenue from Civil Penalties and Late Fees <sup>7</sup>	3,605	25,822	-	-	482	476	499	519	540	544	535	25,822
<b>Subtotal Adjusted Gross Toll Revenue</b>	<b>566,239</b>	<b>4,916,417</b>	<b>29</b>	<b>28,934</b>	<b>59,744</b>	<b>65,530</b>	<b>71,724</b>	<b>78,291</b>	<b>84,848</b>	<b>87,990</b>	<b>89,131</b>	<b>4,916,417</b>
Interest Earnings from SR 520 Center Account (16A) <sup>8</sup>	431	4,032	(21)	50	50	50	60	66	71	73	75	4,032
Interest Earnings from Toll Collections Account (485) <sup>9</sup>	443	3,999	4	49	49	54	59	64	69	71	73	3,999
Administrative Transfer to MVA <sup>10</sup>	(58)	(58)	-	(58)	-	-	-	-	-	-	-	(58)
Transporter Revenue <sup>11</sup>	5,572	77,342	645	1,320	1,333	1,003	1,003	1,028	1,054	1,080	1,107	77,342
<b>Total Sources of State Funds Excluding Bond Proceeds</b>	<b>576,618</b>	<b>5,090,792</b>	<b>657</b>	<b>30,554</b>	<b>61,118</b>	<b>67,643</b>	<b>72,845</b>	<b>79,359</b>	<b>85,043</b>	<b>88,314</b>	<b>90,385</b>	<b>5,090,792</b>
<b>Uses of Toll Revenue Funds Excluding Bond Proceeds</b>												
Transporter Purchase and Inventory <sup>12</sup>	6,878	76,748	437	934	1,333	1,003	1,003	1,028	1,054	1,080	1,107	76,748
Credit Card Fees <sup>13</sup>	13,071	114,348	-	432	1,397	1,631	1,729	1,828	1,984	2,012	2,057	114,348
Toll Collection Operations and Maintenance <sup>14</sup>	70,793	808,297	17	6,032	8,689	8,689	8,676	9,265	9,467	9,525	10,168	808,297
Bridge Facility Operations and Maintenance <sup>15</sup>	9,528	190,572	-	-	-	-	-	1,300	2,603	2,668	2,957	190,572
Bridge Insurance <sup>16</sup>	20,357	147,240	-	1,637	2,470	2,500	2,750	2,750	2,750	2,750	2,749	147,240
<b>Subtotal Operations and Maintenance Uses of Funds</b>	<b>122,728</b>	<b>1,337,204</b>	<b>454</b>	<b>9,035</b>	<b>13,955</b>	<b>13,823</b>	<b>14,358</b>	<b>16,171</b>	<b>17,858</b>	<b>18,034</b>	<b>19,039</b>	<b>1,337,204</b>
1st Tier Debt Service - Transfer to #389	30,917	1,024,110	-	-	-	-	-	8,946	10,721	-	11,251	1,024,110
2nd Tier Debt Service - Transfer to #389	214,678	1,025,535	-	-	26,025	26,025	26,025	26,025	36,859	36,859	36,859	1,025,535
3rd Tier Debt Service - Transfer to #389	37,070	540,086	-	-	-	-	-	12,657	12,657	-	-	540,086
4th Tier Debt Service - Transfer to #389	283,284	2,589,731	-	-	26,025	26,025	26,025	26,025	58,362	60,135	60,667	2,589,731
Deferred Sales Tax Reserve <sup>17</sup>	12,500	143,559	-	-	-	-	-	5,000	2,500	2,500	-	143,559
Operating and Maintenance Reserve <sup>18</sup>	9,340	22,749	-	2,968	3,844	387	894	830	75	489	374	22,749
Repair and Replacement Reserve <sup>19</sup>	27,438	273,228	-	1,875	1,875	1,875	1,875	1,875	6,001	6,001	6,001	273,228
Revenue Stabilization Reserve <sup>20</sup>	27,625	27,625	-	-	-	-	-	-	-	-	-	27,625
Working Capital <sup>21</sup>	18,681	45,498	-	9,955	-	-	-	5,179	1,661	150	978	45,498
Motor Vehicle Account Registration	74,004	74,004	-	-	-	-	-	-	-	-	-	74,004
Available to Pay-As-You-Go Capital Expenditures	74,004	74,004	-	-	-	-	-	-	-	-	-	74,004
<b>Total Uses of State Funds Excluding Bond Proceeds</b>	<b>576,576</b>	<b>4,913,987</b>	<b>454</b>	<b>26,589</b>	<b>64,822</b>	<b>67,533</b>	<b>72,725</b>	<b>79,659</b>	<b>85,901</b>	<b>88,167</b>	<b>90,235</b>	<b>4,913,987</b>
<b>Ending Unrestricted Fund Balance</b>				<b>203</b>	<b>3,948</b>	<b>244</b>	<b>354</b>	<b>475</b>	<b>604</b>	<b>746</b>	<b>892</b>	<b>1,043</b>
<b>16J CASH FLOW FOR CAPITAL EXPENDITURES AND BOND RESERVES</b>												
<b>Beginning Capital Balance</b>				(174,678)	552,713	354,173	384,497	235,423	37,912	7,822	7,921	
<b>Sources of Funds For Capital and Bond Reserves</b>												
Interest Earnings	7,010	8,302	(214)	-	2,529	1,621	-	1,077	173	32	32	8,302
Draw from Deferred Sales Tax Reserve Subaccount	-	143,559	-	-	-	-	-	-	-	-	-	143,559
Draw from Repair and Replacement Reserve Subaccount	467	273,228	-	-	-	-	13	113	113	114	114	273,228
1st Tier Bonds (Standalone Toll Revenue Bonds)	205,084	205,084	-	-	-	-	205,084	-	-	-	-	205,084
2nd Tier Bonds (Sub. Standalone Toll Revenue Bonds)	-	-	-	-	-	-	-	-	-	-	-	-
3rd Tier Bonds (Triple Pledge Bonds)	567,472	567,472	-	567,472	-	-	-	-	-	-	-	567,472
4th Tier Bonds (Triple Pledge Bonds)	300,000	300,000	-	-	-	-	-	-	-	-	-	300,000
Pay-As-You-Go Capital Construction	74,004	74,004	-	74,004	19,123	25,542	24,394	-	-	-	-	74,004
<b>Total Sources of Funds for Capital and Bond Reserves</b>	<b>1,975,614</b>	<b>2,393,224</b>	<b>(214)</b>	<b>1,173,968</b>	<b>241,678</b>	<b>448,247</b>	<b>110,165</b>	<b>2,076</b>	<b>287</b>	<b>146</b>	<b>146</b>	<b>2,393,224</b>
<b>Uses of Funds for Capital and Bond Reserves</b>												
Capital Expenditures in SR 520 (not including sales tax payment)	1,908,052	1,908,052	(124,461)	438,066	438,067	377,340	259,138	198,589	31,063	33	33	1,908,052
First Tier Toll Bonds	548,991	548,991	174,461	344,942	29,589	-	-	-	36,139	-	-	-
Triple Pledge	181,051	181,051	-	82,422	404,695	142,822	149,596	39,318	-	-	-	-
GARVEE	300,000	300,000	-	-	-	-	-	-	-	-	-	-
TIFIA	74,993	74,993	-	-	-	-	-	-	-	-	-	-
Pay As You Go Capital Expenditures	143,559	143,559	-	-	-	-	-	-	-	-	-	-
Deferred Sales Tax Payment	467	273,228	-	-	-	-	13	113	113	114	114	273,228
Periodic Repair & Replacement (R&R) Costs	33,890	33,890	-	10,254	-	18,637	-	-	-	-	-	33,890
Deposits to Capitalized Interest Accounts	20,508	20,508	-	-	-	-	-	-	-	-	-	20,508
Deposits to 1st Tier Debt Service Reserve Funds - Transfer to #389	5,677	5,677	-	3,764	990	993	-	-	-	-	-	5,677
Cost of Bond Insurance	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Uses of Funds for Capital</b>	<b>1,866,390</b>	<b>2,384,912</b>	<b>174,461</b>	<b>446,586</b>	<b>440,218</b>	<b>418,013</b>	<b>259,150</b>	<b>198,762</b>	<b>31,176</b>	<b>147</b>	<b>147</b>	<b>2,384,912</b>
<b>Ending Capital Balance / (Shortfall)</b>				<b>(174,678)</b>	<b>552,713</b>	<b>354,173</b>	<b>384,497</b>	<b>235,423</b>	<b>37,912</b>	<b>7,822</b>	<b>7,921</b>	
<b>Account 16J Ending Fund Balance</b>				<b>556,661</b>	<b>354,417</b>	<b>384,761</b>	<b>235,898</b>	<b>38,516</b>	<b>7,768</b>	<b>7,914</b>	<b>8,063</b>	
Add back fund in reserve balances/Working Capital (not including unspent bond proceeds)				12,530	18,250	20,362	28,327	65,247	74,815	84,700	85,115	
<b>Ending Balance (including amounts in Reserved Fund Balance)</b>				<b>569,191</b>	<b>372,667</b>	<b>405,123</b>	<b>264,225</b>	<b>103,763</b>	<b>82,583</b>	<b>92,614</b>	<b>103,179</b>	
<b>Fund Balance Breakdown by Restriction</b>												
<b>Coverage Ratio</b>												
Net Toll Revenue Available to Pay-As-You-Go (excluding Transponders)				20,832	47,222	53,820	58,487	63,188	68,185	73,292	77,342	
<b>1st Tier (Toll Revenue) Bonds Coverage (1.5x covenant, 2.0x ABT)</b>	<b>Year 2042 - 2.00</b>			n/a	n/a	n/a	n/a	n/a	7.62	6.56	6.34	
<b>2nd Tier (Toll Revenue) Bonds Coverage (1.35x covenant, 1.5x ABT)</b>	<b>Year 2042 - 2.00</b>			n/a	n/a	n/a	n/a	n/a	7.62	6.56	6.34	
<b>3rd Tier (Triple Pledge) Bonds Coverage (1.25x covenant, 1.3x ABT)</b>	<b>Year 2041 - 1.37</b>			n/a	1.81	2.07	2.25	2.43	1.49	1.48	1.48	
<b>4th Tier (TIFIA BANs/Loan) Bonds Coverage (1.1x covenant, 1.15x ABT)</b>	<b>Year 2041 - 1.15</b>			n/a	1.81	2.07	2.25	2.43	1.17	1.17	1.18	
<b>Coverage Ratio -- Net Toll Revenue to Debt Service and All Required Deposits (1.0x covenant, 1.0x ABT)</b>	<b>Year 2017 - 1.00</b>			8.12	1.49	1.91	2.03	1.87	1.00	1.02	1.01	



# Initial SR 520 FY 2013 Q1 Toll Revenue Results\*

**DRAFT**

FY 2013 – Q1 TOLL REVENUE	Actual	Forecast <sup>1</sup>	% Variance
Adjusted Gross Revenue after Allowance for Doubtful Accounts <sup>2,3</sup>	\$13,867,862	\$14,121,766	-2%

- Adjusted gross revenue after an allowance for doubtful accounts was **-2%** below forecasts after the first quarter of FY 2013.
- Values based on preliminary, un-reconciled database query.<sup>4</sup>

\* Revenue data current as of October 31, 2012.

<sup>1</sup> CDM Smith forecast inclusive of a monthly seasonal adjustment and a monthly average value for planned weekend construction closures; net of allowances for unreadable license plates / inability to identify vehicle owner; and inclusive of \$0.25 Pay By Plate fee revenues and \$0.50 customer initiated payment credits.

<sup>2</sup> The allowance for doubtful accounts uses an accounting estimate of 10% of the amount of Pay By Mail toll bills issued will be uncollectible. This amount results in a direct reduction to toll revenue for the facility.

<sup>3</sup> Actual gross revenues do not currently include tolls and fees recovered through the adjudication/civil penalty process; inclusion of these revenues via a transfer from the SR 520 Civil Penalty Account may result in an upward revision to actual gross revenues.

<sup>4</sup> WSDOT is in the process of reviewing CSC vendor reconciliation reports, which will become the primary source of this data. Pending completion of this review, reported revenues are based on preliminary, un-reconciled database queries.

# Next Steps

- **2.5% increase in accordance with WAC 468.270.040**
  - Office of the State Treasurer (OST) has reviewed the materials and agreed that the net revenue projections would meet “Master Bond Resolution” requirements but is awaiting Commission action before providing final certification.
- **Any modifications to the 2.5% increase**
  - CDM Smith and PB will evaluate the proposed changes to ensure it meets sufficiency through 2056 and update the certificates.
  - OST will review the new projections and new certificates, and will issue their formal certificate.

# **SR 520 Rate Setting Traffic**



# Initial SR 520 FY 2013 Q1 Toll Traffic Results

**DRAFT**

JULY - SEPTEMBER 2012 TOLL TRAFFIC	Actual <sup>1,7</sup>	Forecast <sup>2,3</sup>	% Variance
Average Weekday <sup>4,8</sup>	65,950	65,728	<b>+0.3%</b>
Average Weekend <sup>5,8</sup>	37,417	32,829	<b>+14.0%</b>
Average Daily <sup>6</sup>	58,319	56,929	<b>+2.4%</b>

- Average weekday daily traffic is tracking the forecast
- Average weekend daily traffic exceeds forecast by **+14%**
- Overall, average daily traffic was **+2.4%** above forecast
- Approximately **80%** of average daily trips were prepaid (*Good To Go!*) transactions
  - Average weekday *Good To Go!* share was approximately **81%**
  - Average weekend daily *Good To Go!* share was approximately **73%**

<sup>1</sup> Toll traffic counts are generated by in-lane toll collection equipment. Actual counts exclude transit buses and other toll-exempt vehicles.

<sup>2</sup> CDM Smith forecast dated August 2012 after applying a monthly seasonal adjustment factors. Forecasts exclude transit buses and other toll-exempt vehicles.

<sup>3</sup> Ramp-up adjustments are no longer included in the FY 2013 forecasts.

<sup>4</sup> Average weekday traffic is subject to construction activity but there were no weekday construction closures during the tolling hours from 5 AM to 11 PM.

<sup>5</sup> Calculation of average weekend daily traffic excludes planned weekend construction closures days.

<sup>6</sup> Average daily traffic calculated as a blend of all weekdays and weekends days, except as noted in (4) and (5) above.

<sup>7</sup> WSDOT is in the process of reviewing CSC vendor reconciliation reports, which will become the primary source of this data. Until completion of this review, reported traffic and revenue will be based on preliminary, un-reconciled database queries.

<sup>8</sup> Average weekend daily traffic calculations are inclusive of holidays during which weekend toll rates are charged (e.g., 4<sup>th</sup> of July, Labor Day).

# Initial Traffic Impacts – October 2012

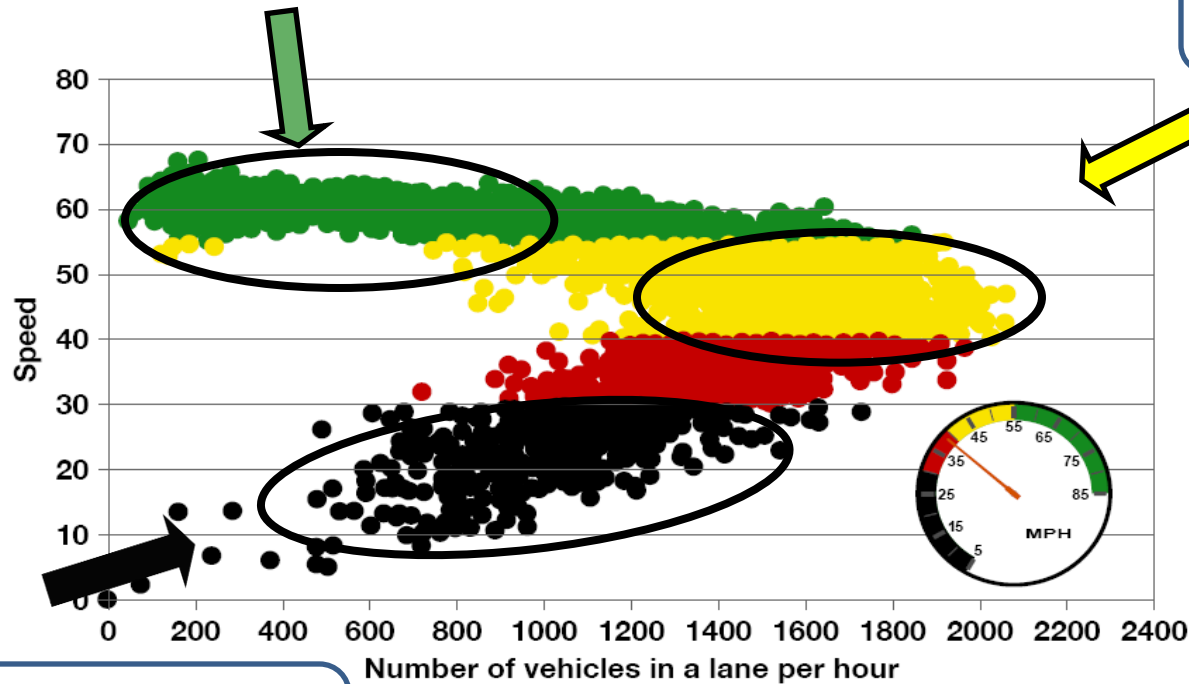
- **SR 520**
  - Toll traffic is generally at or above projected levels
  - Travel times are four minutes shorter on average during the peaks
- **I-90**
  - Traffic has increased 11 percent
  - I-90 travel times are five minutes longer on average during the peaks
- **SR 522**
  - Traffic has increased 10 percent
  - Travel times have not increased during the morning peak and are about two minutes longer during the afternoon peak
- **I-5**
  - Traffic has increased approximately 2 percent in downtown Seattle
  - Travel times through downtown Seattle are approximately four minutes slower in both directions during the peaks.
- **I-405**
  - Traffic has increased approximately 4 percent in downtown Bellevue
  - Travel times through Bellevue are approximately three minutes slower southbound and two minutes slower northbound during the PM peak

# Maximizing Throughput

*The most effective price to move the most traffic*

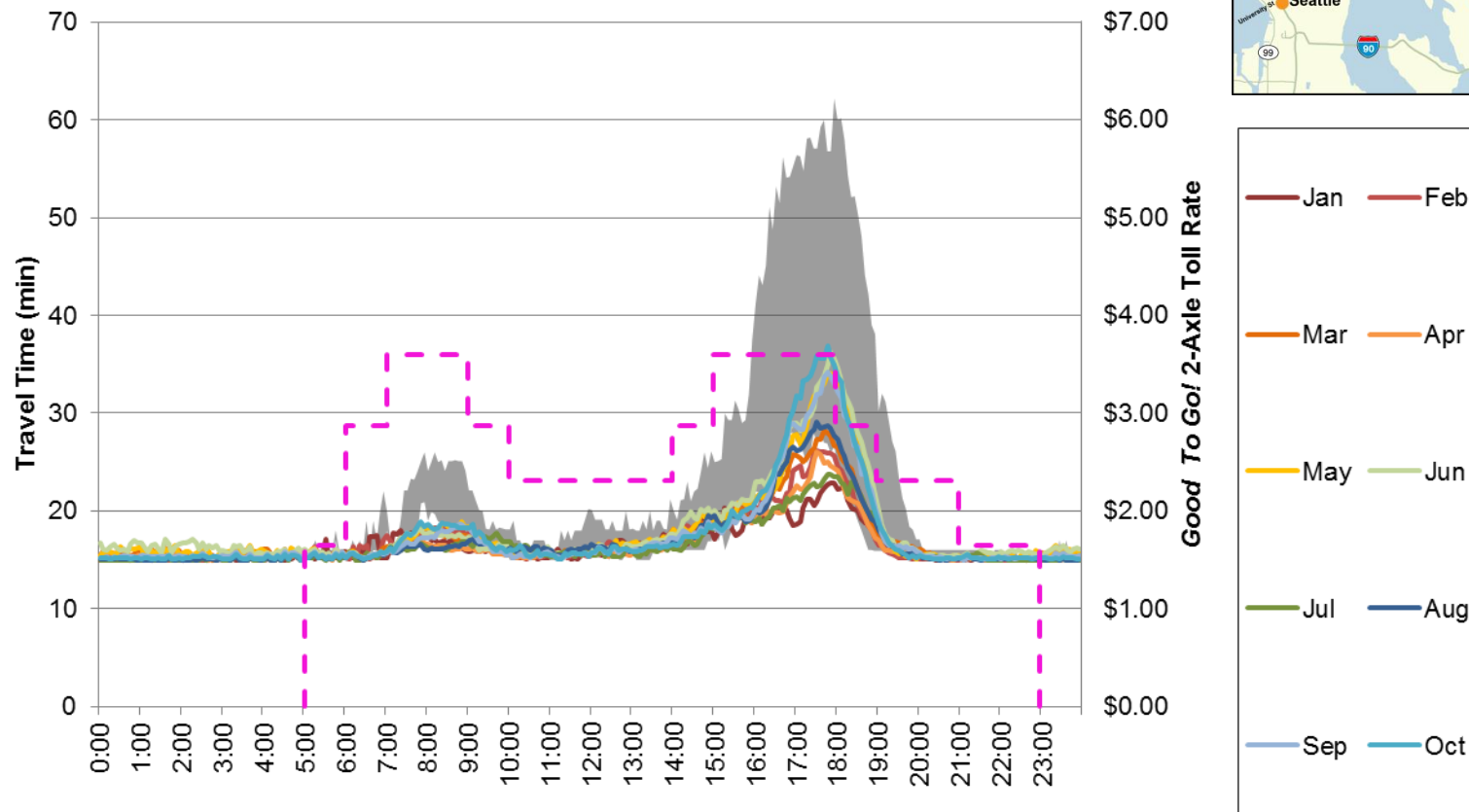
If the price is too high,  
the lanes will be empty

Priced to obtain  
free flow conditions



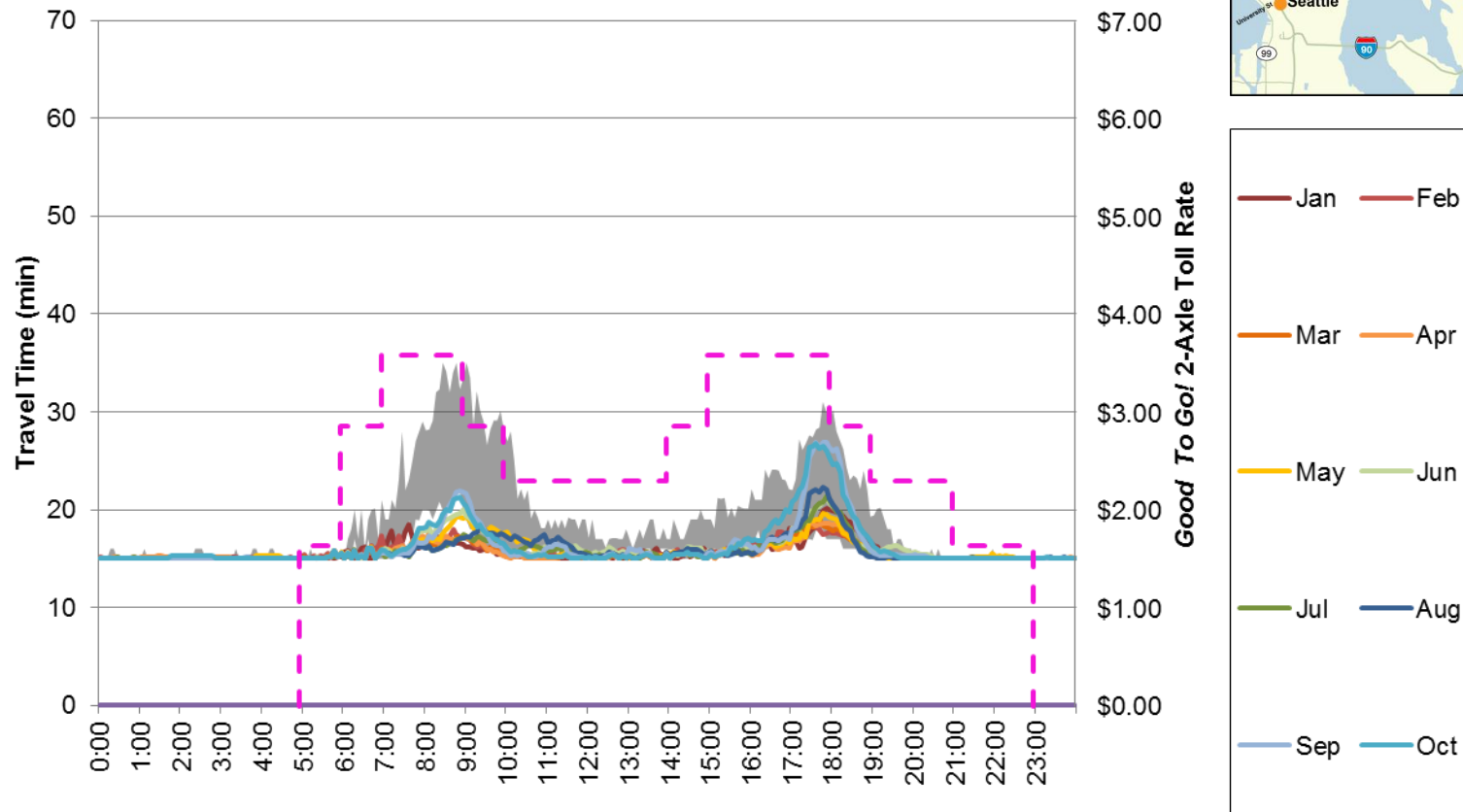
If the price is too low, the  
lanes will be congested  
and slow moving

# Travel Time: Redmond to Seattle via SR 520 Monthly Average



Pre-tolling average is for weekdays Oct. 29-Nov. 18, 2011 and Nov. 26-Dec.16, 2011  
Post-tolling average is for weekdays Jan. 1, 2012 – Oct. 31, 2012

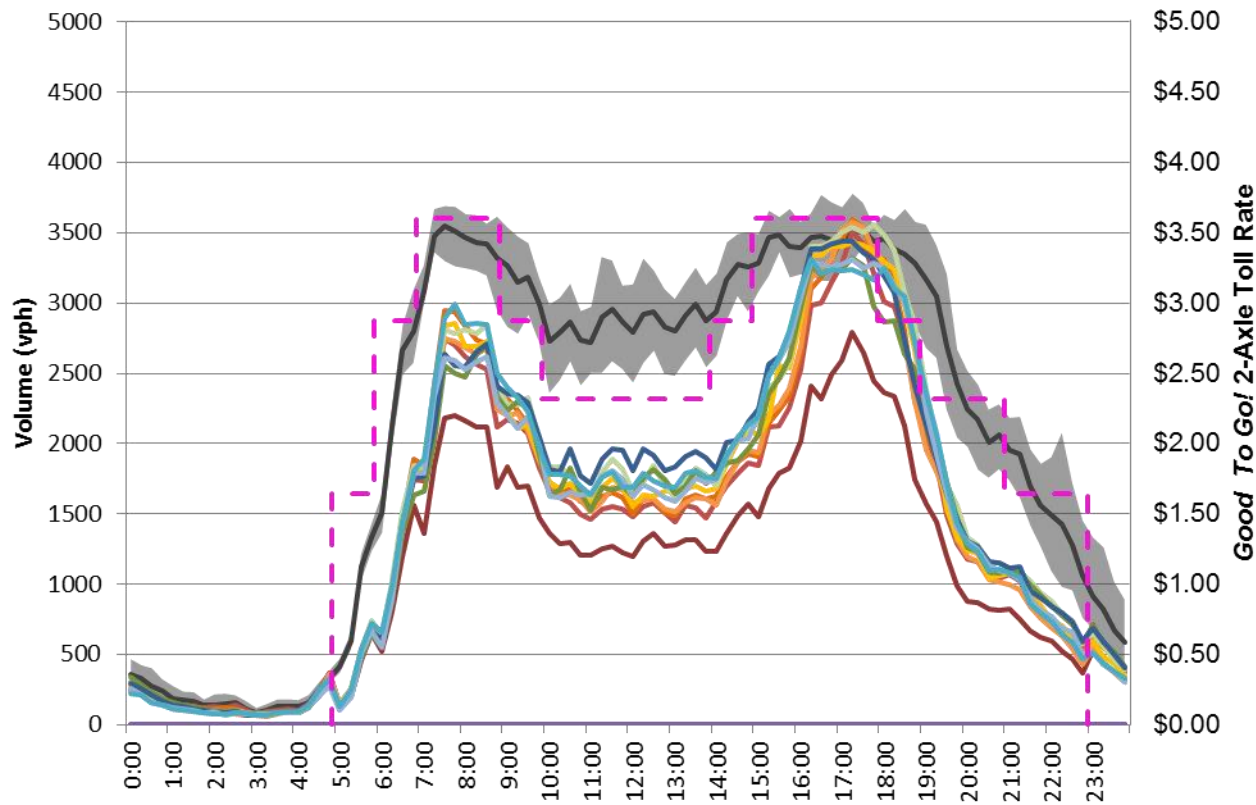
# Travel Time: Seattle to Redmond via SR 520 Monthly Average



Pre-tolling average is for weekdays Oct. 29-Nov. 18, 2011 and Nov. 26-Dec.16, 2011  
Post-tolling average is for weekdays Jan. 1, 2012 – Oct. 31, 2012

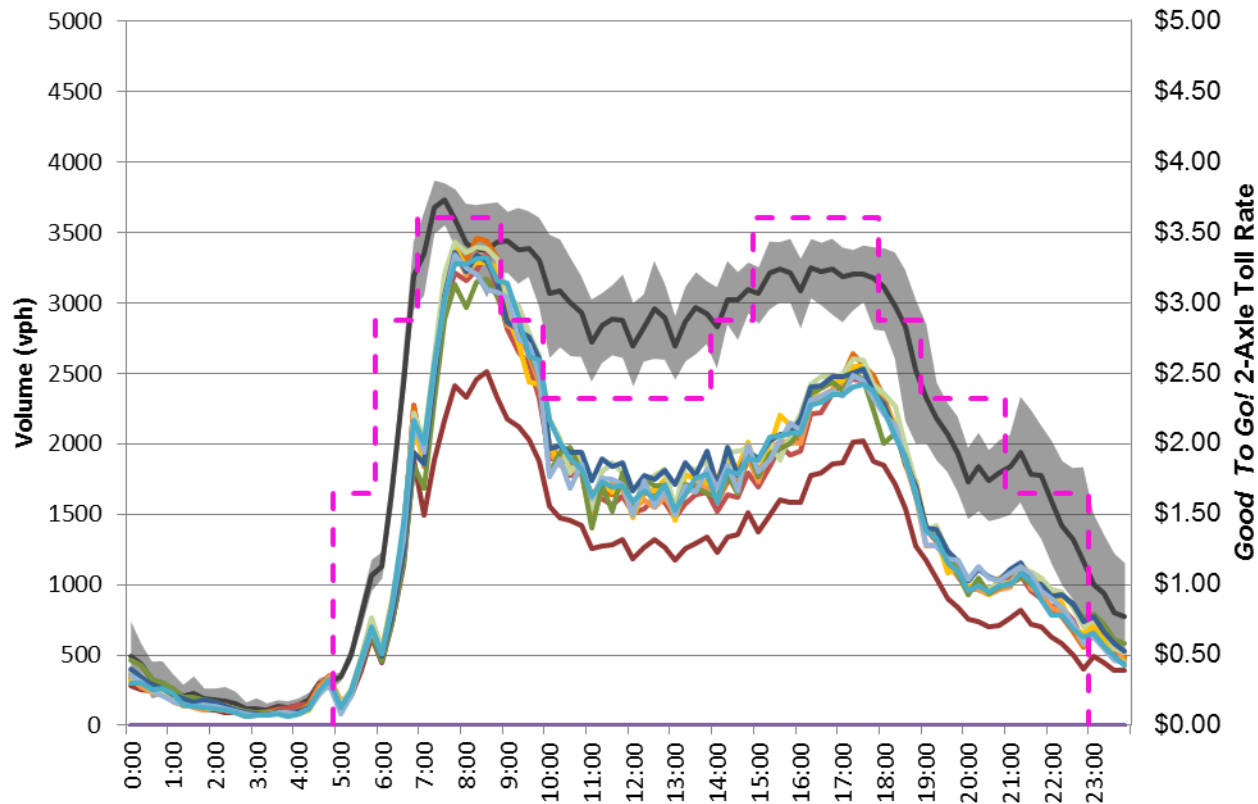


# Traffic Volume: Westbound SR 520



Pre-tolling average is for weekdays Oct. 29-Nov. 18, 2011 and Nov. 26-Dec. 16, 2011  
Post-tolling average is for weekdays Jan. 1, 2012 – Oct. 31, 2012

# Traffic Volume: Eastbound SR 520



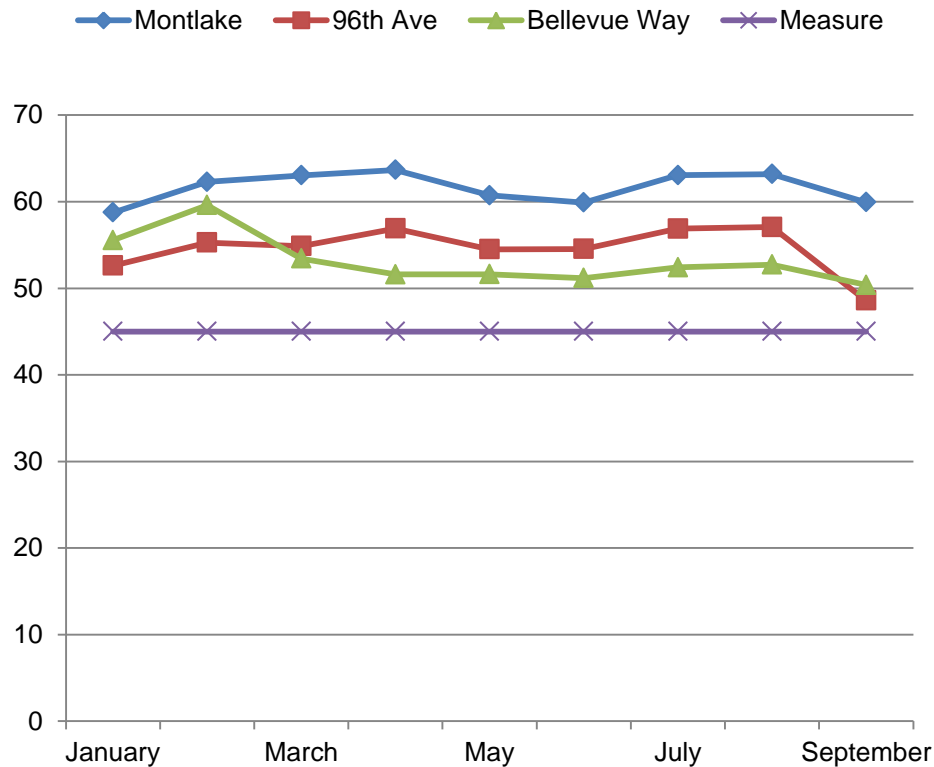
Pre-tolling average is for weekdays Oct. 29-Nov. 18, 2011 and Nov. 26-Dec.16, 2011  
Post-tolling average is for weekdays Jan. 1, 2012 – Oct. 31, 2012



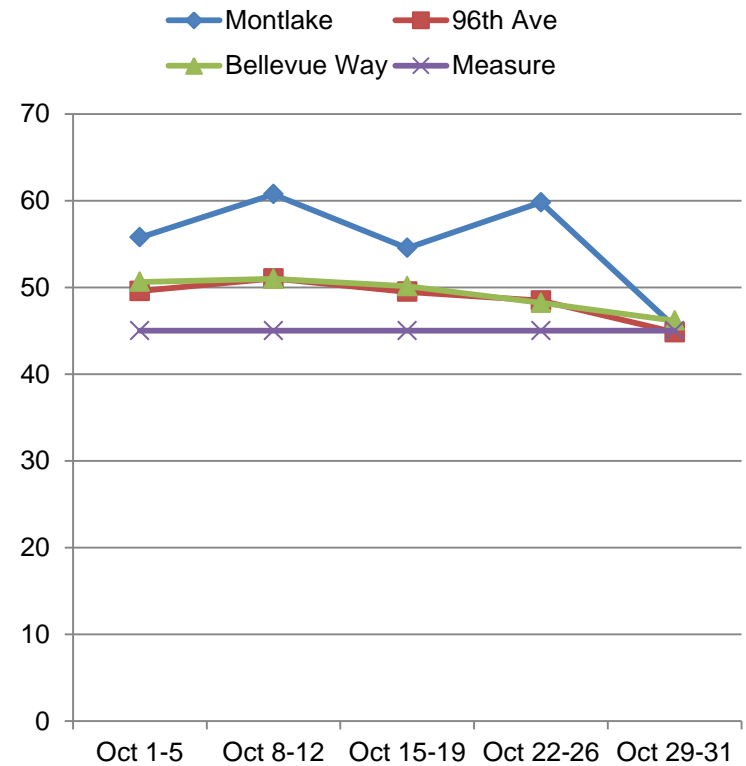
# Average Weekday Speeds AM Peak Hour (7–9 AM)



## January – September Monthly Averages



## October Weekly Averages

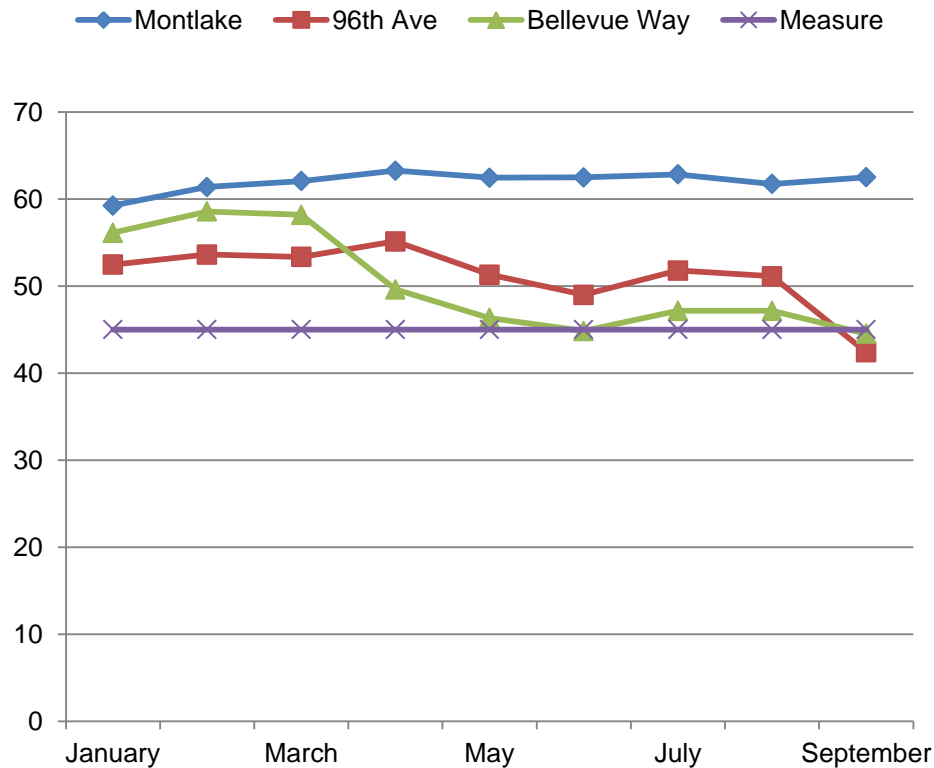


\*After FY 2012 Q3 the data station used for collection was changed from 108th Ave to Bellevue Way due to data quality and consistency issues at the 108th Ave

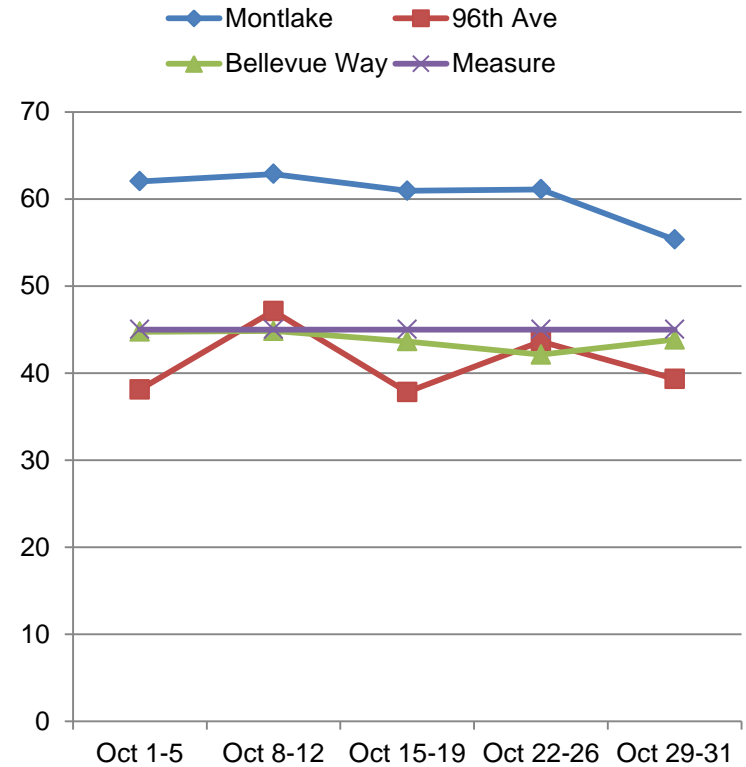
# Average Weekday Speeds PM Peak Hour (3 – 6 PM)



## January – September Monthly Averages



## October Weekly Averages



\*After FY 2012 Q3 the data station used for collection was changed from 108th Ave to Bellevue Way due to data quality and consistency issues at the 108th Ave

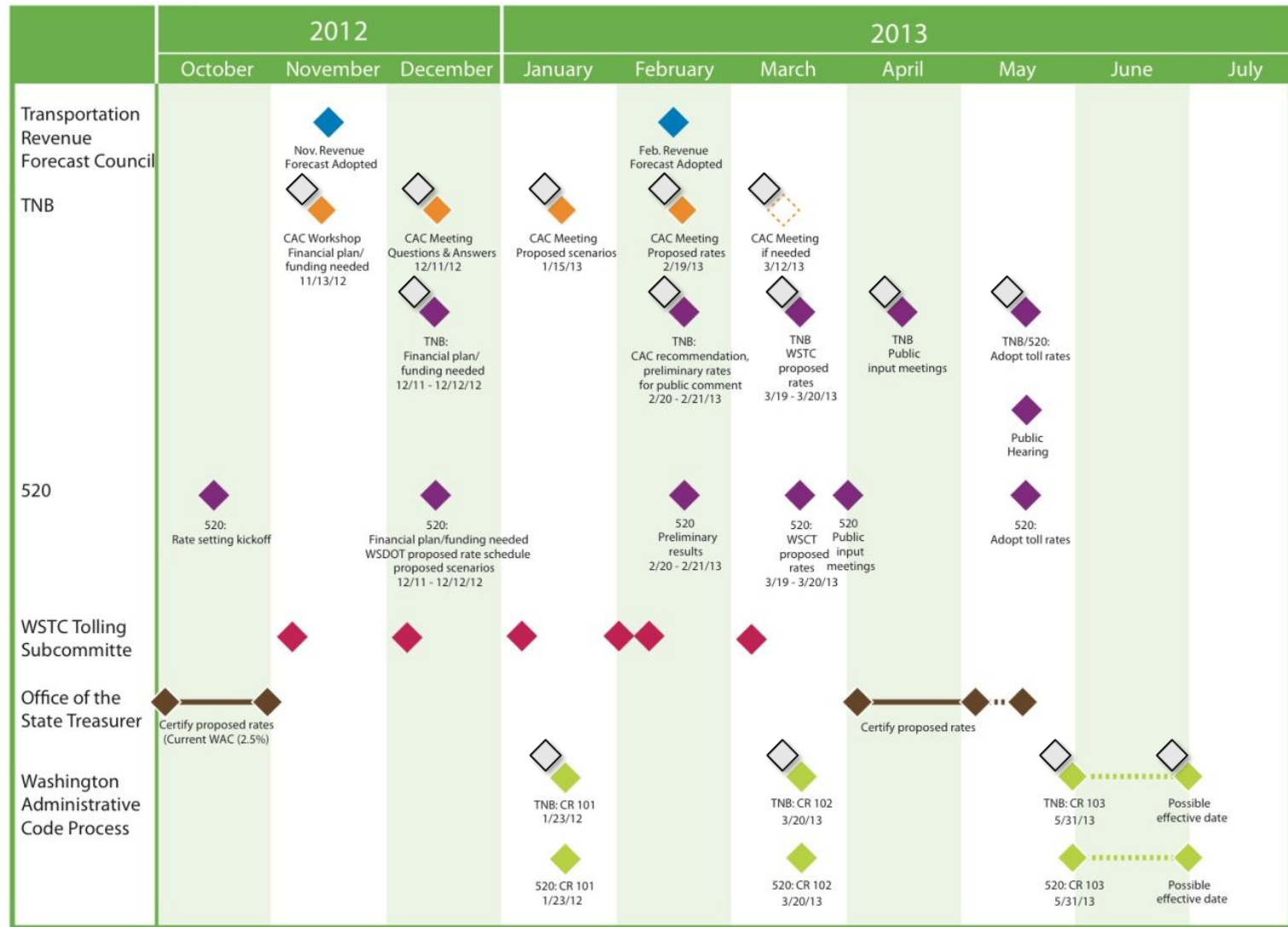
# Considerations

- We are just completing first year of operations.
  - Gross revenues lag traffic performance.
  - 12 months out of a 30-40 year financing horizon is inconclusive.
- Ongoing construction has played a factor in traffic performance, especially on the Eastside.
- In 2014, we need strong credit ratings.
  - WSDOT will be selling revenue bonds in early 2014
  - WSDOT will be making our first TIFIA draws.
- Review forecasts based upon actual traffic and revenue data.

# If Financial Adjustment is Required, Possible Rate Scenarios to Test

- **Possible adjustments to portions of the schedule**
  - Adjust shoulder times to better manage traffic
  - Make directional adjustments
  - Make weekend adjustments
  - Add a fifth toll rate during the peak of the peak
  - Add a minimum toll during the currently nontolled hours (11 pm-5 am)
- **Round toll rates to the nearest nickel for all increases**
- **Recommend running the following scenarios**
  - 3.5% increase
  - Higher PM peak directional
  - Shift PM peak
  - Weekend adjustments

# Rate Setting Schedule



# Questions?

For more information on SR 520 Toll Rate Setting,  
please contact:

Craig Stone  
Assistant Secretary, Toll Division  
(206) 464-1222 or [StoneC@wsdot.wa.gov](mailto:StoneC@wsdot.wa.gov)